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**ATLAS SECURITY SERVICE, INC.**

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September 13, 1996

Mr. William F. Caton  
Acting Secretary  
Federal Communication Commission  
1919 M Street, N.W.  
Washington, D.C. 20036

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**Re: CC Docket No. 96-152**

Dear Mr. Caton:

As a member of the alarm industry and a member of the Central Station Alarm Association, I have been made aware of the fact that the Federal Communications Commission is considering rules to implement the alarm monitoring provisions of the Telecommunications Act of 1996. Atlas Security Service, Inc. is a provider of alarm monitoring services and is vitally interested in CC Docket No. 96-152, which will implement Section 275 in the manner intended by Congress and resist Bell Company attempts to reduce the section to a meaningless technical provision.

**Atlas Security Service is completely dependant** on Southwestern Bell Telephone Company, for connection of our approximately 3000 alarm monitoring customers to our Central Station monitoring center. **There is no practical alternative at this time.** Atlas like many other independent alarm dealers with Central Station monitoring centers, are extremely vulnerable to potentially anticompetitive conduct by Southwestern Bell or the other Bell companies.

Section 275 provides a 5 year prohibition on Bell Company entry into the alarm business in order to permit local competition to develop that will give alarm monitoring services companies, like Atlas Security, an alternative local network to use. Currently there are local phone companies that have applied to provide those networks, but more than likely it will be years before any of them present a viable alternative to the incumbent Bell Companies.

Atlas Security understands that certain Bell Companies now contend that Section 275 is only a very narrow prohibition. These giants contend that Section 275 allows them immediately to resell alarm monitoring services, or engage in marketing, sales agency, billing and customer inquiry services associated with alarm monitoring services. These giants plan to be compensated for these activities through a percentage of the alarm monitoring revenues. This interpretation of Section 275 will give Southwestern Bell Telephone all the same opportunities and incentives to discriminate and compete unfairly that it would have had if the 5 year ban did not exist. *It will make the 5 year ban absolutely worthless* and it could have an extremely detrimental impact on Atlas Security.

Atlas Security also understands that Ameritech has invented a reading of Section 275 that would subvert the ban on it's acquisition of other alarm monitoring services for five years. The fact is Ameritech has announced it's purchase of the alarm business of Circuit City Stores,



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and it has solicited numerous other companies in an effort to buy them out. Such blatant conduct in light of the Telecommunications Act should reinforce the fact the Bell Companies will not honor the laws or their intent. If allowed to prevail, this reading of Section 275 will render meaningless the 5 year ban on Ameritech's purchase of other alarm monitoring companies. The protections provided to small alarm monitoring businesses, like Atlas Security, by Section 275 will be eliminated.

There is another effort to undermine Section 275 by another Bell Company, U.S. West. Atlas Security has learned that U.S. West contends that if offered services prior to November 30, 1995 which qualify it to participate in the alarm monitoring business in the same way as Ameritech. As with the other Bell Companies attempts to escape the provisions of Section 275, it is critical to Atlas Security that this effort not succeed. The Telecommunications Act of 1996, provided an limited exclusion for Ameritech only. Where was U.S. West's contention when the law was being discussed and written? They no doubt were present, but our Congress decided that their arguments were not justifiable to include them in the exclusion granted to Ameritech. Enforcement of the provisions of Section 275 for *the 5 year probationary period is crucial* if local competition is to develop sufficiently to provide alarm companies with alternative sources of local transmission.

Atlas Security believes that the '96 Act represents a congressional compromise between the interests of the alarm monitoring industry's fears of anticompetitive conduct by the Bell Companies and the telephone companies' desire to enter the alarm business. A 5 year prohibition to enable local competition to take root before Bell Company entry seem to balance the interests of the parties fairly. If the recent Bell Company efforts succeed in interpreting Section 275 as a narrow, trivial provision, however, the entire intent and effect of the interim protections will be lost.

*Atlas Security and it's employees* strongly urge and request the FCC to reject these Bell Company distortions of Section 275 and implement it in a manner consistent with Congress' intent. Thank you for the time to read and listen.

Sincerely,



Jim D. Wade

President

Atlas Security Service, Inc.